



Policy Committee

October 3, 2024
At 9:00 a.m.

ECIDA Offices
95 Perry Street, 4th Floor Conference Room
Buffalo, New York 14203

*****REVISED*****

1. Call Meeting to Order
 - a) Welcome New Committee Member – Gregory Inglut, Business Manager/Financial Secretary, IBEW Local 41
2. Approval of the August 1, 2024 Policy Committee Meeting Minutes (Pages 2-5)
3. Project Matrix (Informational) (Page 6)
4. Project Presentation (Staff – Company Q&A)
 - a) Hanes Supply, Inc. (Pages 7-42)
 - b) Pfannenbergl USA (Pages 43-76)
5. 2025 Meeting Schedule (Page 77)
6. Adjournment - Next Meeting November 7, 2024 at 9:00 a.m.

**MINUTES OF A MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

DATE AND PLACE: August 1, 2024 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Denise Abbott, Rev. Mark E. Blue, Zachary Evans, Richard Lipsitz, Jr., Dr. Susan McCartney, Hon. Glenn R. Nellis, Laura Smith, David J. State, and Lavon Stephens

EXCUSED: Hon. April Baskin, A.J. Baynes, Hon. Byron W. Brown, Brenda W. McDuffie and Paul Vukelic

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Beth O'Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager, Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Robbie Ann McPherson, Director of Marketing & Communications; Andrew Federick; Property and Business Development Officer and Robert G. Murray, Esq., as General Counsel/Harris Beach PLLC

GUESTS: Yessica Vasquez on behalf of the City of Buffalo; Josh Veronica on behalf of Buffalo Niagara Partnership; Craig Caldwell on behalf of 3200 Clinton Street, LLC/Agile Cold Storage and Chuck Wilson on behalf of Upstate Niagara Cooperative

There being a quorum present at 9:10 a.m., the Meeting of the Policy Committee was called to order by Chair Lipsitz.

MINUTES

The minutes of the June 6, 2024 Policy Committee meeting were presented. Upon motion made by Mr. Evans to approve of the minutes, and seconded by Dr. McCartney, the Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Mr. Cappellino presented the project matrix to the Committee. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATION

3200 Clinton Street, LLC, 3200 Clinton Street, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project consisting of construction of a proposed facility to be used as both additional manufacturing space for Rosina Foods (16,000 SF) and a cold storage warehouse for Agile Cold Storage (99,000 SF). It will allow Rosina to increase their production space and to utilize a cold storage warehouse. The warehouse is strategically placed to service the distribution needs for Rosina’s entire frozen line of products as well as provide options for other frozen and refrigerated food manufacturers in the area.

Ms. O’Keefe confirmed that 3200 Clinton street, LLC is seeking approximately \$10,034,208 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$89,422,850 over the life of the PILOT. The resulting cost benefit is 10:1 so for every \$1 of incentives the community benefit is \$10 in payroll & tax revenue. For Erie County, for every \$1 of incentives the community benefit is \$11 in benefits to the community.

The company is requesting a local labor waiver. Ms. O’Keefe reminded the committee members that the Local Labor Policy requires 90% of construction labor be from the “local” eight county region, and that the policy also allows the Agency to grant a waiver from the 90% local labor requirement based on certain defined circumstances as described therein. Consistent with the Local Labor Policy, the Company has requested a waiver from the 90% commitment due to certain warranty issues related to the installation of specialized equipment whereby the manufacturers requires installation by only approved installers, and because specialized construction is required for which qualified Local Labor Area workers are not available. The Company has confirmed that its warehouse concrete slabs includes a three (3) year warranty only when the flooring system is placed by the vendor’s trained labor force, and also confirmed that the its vendor’s laborers are specially trained in the proprietary flooring systems and specially certified in underslab insulation installation, freezing systems installation, and refrigeration systems installation as so required to receive the manufacturer’s warranty for installation of these products.

Mr. Cappellino confirmed that cold storage facilities are a continuing need in our area.

General discussion ensued.

Ms. Abbott queried if the Company has approached local labor to confirm if any local residents are certified/approved as so related to the local labor waiver request. Mr. Caldwell spoke on behalf of the Company to confirm that they have met local laborers and desire, if possible, to hire as many locals as possible.

Ms. O’Keefe confirmed that the Company will need to use 56 laborers from outside the local labor area (about 26%), above the 10% permitted use if non-local labor.

Ms. O’Keefe stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project

will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$46,530,000 85% = \$39,550,5000
Employment	Coincides with 10-Year PILOT	Maintain Base = 0 FTE Create 85% of Projected Projected = 45 FTE 85% = 38 FTE Recapture Employment = 38 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-Year PILOT	Adherence to policy
Recapture Period	Coincides with 10-Year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property tax

Mr. Lipsitz asked for a motion to recommend the project, as proposed, be forwarded to the members of the ECIDA for approval of the project and the local labor waiver request. Mr. Evans moved and Ms. McCartney seconded to recommend the proposed project to the Board for approval and approval of the local labor waiver request. Mr. Lipsitz called for the vote and the project was then unanimously recommended to be forwarded to the Board for approval.

Mr. Lipsitz then asked for a second motion to request that the Company provide follow-up correspondence on its efforts to find comparable vendors that may not require the waivers as so requested. Mr. Evans moved and Ms. Abbott seconded to request the Company for follow-up correspondence on any investigation and efforts to find comparable vendors that may not require the waiver. Mr. Lipsitz called for the vote and the motion was then unanimously approved.

Upstate Niagara Cooperative, Inc., North America Drive, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales and use tax and real property tax abatement benefits project involving the addition of 250,000 SF of space that would more than double the size of the Company’s existing plant (225,000 SF). The project will add significant manufacturing capacity as well as storage space for finished goods, ingredients and packaging.

Ms. O’Keefe noted this is an EIP PILOT for a 12-year term.

General discussion ensued.

Mr. Lipsitz and Mr. Evans both spoke in favor of the project.

Ms. O’Keefe confirmed that the Company is seeking approximately \$9,925,843 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$801,774,552 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 992 construction jobs. The resulting cost benefit is 82:1 so for every \$1 of incentives the community benefit is \$82 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$101 in benefits to the community.

Ms. O’Keefe stated that in exchange for providing the sales and use tax and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$150,000,000 85% = \$127,500,000 ²⁴
Employment	Coincides with 10-Year PILOT	Maintain Base = 0 FTE Create 85% of Projected Projected = 130 FTE 85% = 110 FTE Recapture Employment = 350 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-Year PILOT	Adherence to policy
Recapture Period	Coincides with 10-Year PILOT	Recapture of state and local sales taxes and real property tax

Mr. Nellis moved and Mr. Stephens seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Mr. Lipsitz called for the vote and the motion was then unanimously approved.

There being no further business to discuss, the meeting was adjourned at 9:47 a.m.

Dated: August 1, 2024

Elizabeth A. O’Keefe, Secretary

Expansion - Warehouse & Production Space / Hanes Supply Inc
\$ 6,000,000

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 332610

COMPANY INCENTIVES

- Approximately \$ 417,785 in real property tax savings.
- Up to \$358,750 in sales tax savings

JOBS & ANNUAL PAYROLL

- Current Jobs: 85 FT, 5 PT (87 FTE)
- Est. salary/yr. of jobs retained: \$61,000
- Projected new jobs: 10 FT
- Est. salary/yr. of jobs created: \$ 48,000
- Annual Payroll: \$ 7,000,000
- Total jobs after project completion: 97
- Construction Jobs: 24

PROJECTED COMMUNITY BENEFITS*

- Term: 10 YEARS
 - NET Community Benefits: \$115,864,788
 - Spillover Jobs: 80
- Total Payroll: \$109,401,384

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$736,300
 Net Present Value of Property Tax Exemption: \$ 377,550
 Community Benefit: \$104,113,787
 Cost: Benefit Ratio
 • 1:141

Project Title: Hanes Supply Inc - Expansion

Project Address 55 James E. Casey Drive, Buffalo, NY 14206
 (Buffalo City School District)

Agency Request

A sales tax, and real property tax abatement in connection with a 56,500 SF building that is adjacent to the applicant's current 55,000 SF facility. The new building will be used primarily as warehouse space with additional space for offices, restrooms and a breakroom.

New Building Construction	\$ 5,500,000
Manufacturing Equipment	\$ 50,000
Non- Manufacturing Equipment	\$ 300,000
Soft Costs/Other	\$ 150,000
Total Project Cost	\$ 6,000,000
 85%	 \$ 5,100,000

Company Description

Hanes Marine & Cable was founded in 1930 by Ted Hanes Sr, an American Airlines worker who learned to splice cable while studying to earn his Federal Aircraft Mechanics license. Ted extended his wire rope splicing services to several local contractor friends for extra income - eventually securing office space for his business in Buffalo. By 1962 the company outgrew the facility, officially incorporated as Hanes Supply, Inc (HSI) and moved to 1294 Seneca St allowing for a larger sling shop and enabling HSI to become an Allied Product Supply House offering more products and faster service. In 1980, Ted's son Bill Hanes, a UB Civil Engineering graduate became President of Hanes Supply. Today the company is HQ at 55 James E Casey Drive in Buffalo and has facilities in NY: Rochester, Syracuse, Watertown and Albany, as well as in Midland, NC and Guilford, CT. HSI is a leader in the rigging and heavy lifting industry specializing in manufacturing American-made slings and below-the-hook lifting devices. Ownership structure: William C. Hanes is 95% owner.

Project Description

Hanes Supply has outgrown its current 55,000 SF location and is considering adding a 56,575 SF building located at the rear of the existing facility for additional warehouse / production uses. In their current space, Hanes is struggling to handle the double-digit growth they've experienced over the past few years. The company notes that this expansion is extremely important for the growth of the business. They also note that the expansion will serve a crucial role with the construction of the new Buffalo Bills High Mark Stadium as well as with several large project throughout the U.S.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$ 417,785
	Sales	\$ 358,750
	Mortgage Recording	0
	Total	\$ 776,535
	Discounted at 2%	\$ 736,300

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$ 3,626,215
			Payroll Permanent	\$ 105,775,169
		Public	Property Taxes	\$ 104,449
			Sales Taxes	\$ 670,084
			Other Muni Revenue (NFTA)	\$ 0
	New York State	Public	Income Taxes	\$ 4,923,063
			Sales Taxes	\$ 765,810
			Total Benefits to EC + NYS***	\$ 115,864,788
			Discounted at 2%	\$ 104,113,787

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost \$ 736,300
 Discounted Benefit \$104,113,787
 Ratio 1:141

Conclusion: The Cost Benefit for this project is: 141:1. For every \$1 in costs (incentives), this project provides \$141 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$182 in benefits to the community.**

New Tax Revenue Estimated

PILOT Type	Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
10 Year Standard PILOT	\$ 39,167	\$ 3,500,000	\$ 96,265 \$ 7,600*	\$ 399,854 \$ 31,567*	\$ 91,390
			\$103,865	\$ 431,421	
10 Year EIP PILOT (Tier 1: has 11 yr benefit period)			\$ 101,838	\$ 423,004	

*added 1 year at full property taxes – for comparison purposes

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 6,000,000 85% = \$ 5,100,000
Employment	Coincides with 10-year PILOT	Maintain Base = 87 FTE Create 85% of Projected Projected = 10 FTE 85% = 8 FTE Recapture Employment = 95 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 10-year PILOT	Recapture of Real Property Tax, Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes
Real Property Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 87 FTE jobs and created 8 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 9/24/24: Public hearing held.
- 10/23/24: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 10/23/24: Lease/Leaseback Inducement Resolution presented to the Board of Directors

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-Hanes Supply Inc

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Combined City & School Tax Rate /1000
\$5,500,000	\$3,500,000	5.066581	21.044972

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$8,107	\$33,672	\$41,778	\$91,390	\$49,612
2	0.1	\$8,613	\$35,776	\$44,390	\$91,390	\$47,001
3	0.15	\$9,120	\$37,881	\$47,001	\$91,390	\$44,390
4	0.15	\$9,120	\$37,881	\$47,001	\$91,390	\$44,390
5	0.2	\$9,627	\$39,985	\$49,612	\$91,390	\$41,778
6	0.2	\$9,627	\$39,985	\$49,612	\$91,390	\$41,778
7	0.25	\$10,133	\$42,090	\$52,223	\$91,390	\$39,167
8	0.25	\$10,133	\$42,090	\$52,223	\$91,390	\$39,167
9	0.3	\$10,640	\$44,194	\$54,834	\$91,390	\$36,556
10	0.35	\$11,146	\$46,299	\$57,445	\$91,390	\$33,945
TOTAL		\$96,265	\$399,854	\$496,120	\$913,904	\$417,785

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
\$6,000,000	\$ 417,785	\$358,750	N/A	\$154,000 (ESD proposal – pending)

Note: special district taxes are not subject to PILOT abatement

Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 16%

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-Hanes Supply Inc EIP Tier 1

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Combined City & School Tax Rate /1000
\$5,500,000	\$3,500,000	5.066581	21.044972

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$8,107	\$33,672	\$41,778	\$91,390	\$49,612
2	0.05	\$8,107	\$33,672	\$41,778	\$91,390	\$49,612
3	0.1	\$8,613	\$35,776	\$44,390	\$91,390	\$47,001
4	0.1	\$8,613	\$35,776	\$44,390	\$91,390	\$47,001
5	0.15	\$9,120	\$37,881	\$47,001	\$91,390	\$44,390
6	0.15	\$9,120	\$37,881	\$47,001	\$91,390	\$44,390
7	0.2	\$9,627	\$39,985	\$49,612	\$91,390	\$41,778
8	0.2	\$9,627	\$39,985	\$49,612	\$91,390	\$41,778
9	0.25	\$10,133	\$42,090	\$52,223	\$91,390	\$39,167
10	0.25	\$10,133	\$42,090	\$52,223	\$91,390	\$39,167
11	0.3	\$10,640	\$44,194	\$54,834	\$91,390	\$36,556
TOTAL		\$101,838	\$423,004	\$524,842	\$1,005,295	\$480,453

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
\$6,000,000	\$ 480,453	\$358,750	N/A	\$154,000 (ESD proposal – pending)

Note: special district taxes are not subject to PILOT abatement

Calc % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 14.9%

**EVALUATIVE CRITERIA
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

Project: Hanes Supply Inc. Expansion

Wage Rate (above median wage for area)	Per capita income = \$36,530 Average Annual Salaries for: <ul style="list-style-type: none"> • Current Employment = \$61,000 • Jobs to be Created = \$48,000
Regional Wealth Creation (% sales/customers outside area)	17% Sales in Erie County 83% Sales outside Erie County (32% elsewhere in NYS, 51% outside NYS, elsewhere in U.S.) <hr style="width: 10%; margin-left: 0;"/> 100%
In Region Purchases (% of overall purchases)	65% to include EC businesses: USITEK, Independent Health, Weco Tire, Duke Holtzman and Tronconi.
Research & Development Activities	N/A
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	In 1982, the City of Buffalo and Erie County Industrial Development Agency teamed up and released a plan to build a new industrial park on mostly abandoned railroad property between Dingens and William streets. The applicant is currently located at this site.
LEED/Renewable Resources	N/A
Retention/Flight Risk	Yes. Company has been contacted by: Virginia, North Carolina and South Carolina.
DEI Questionnaire	See Attached. Goal of 30% MWBE for construction – contractors & suppliers.
Workforce Access – Proximity to Public Transportation	Site is accessible via bus line – NFTA Bus Route 19 Bailey & Abbott

DATE OF INDUCEMENT: October 23, 2024

Erie County Industrial Development Agency

MRB Cost Benefit Calculator



Date: September 16, 2024
 Project Title: Hames Supply Inc.
 Project Location: 55 James E. Casey Drive, Buffalo, New York 14203

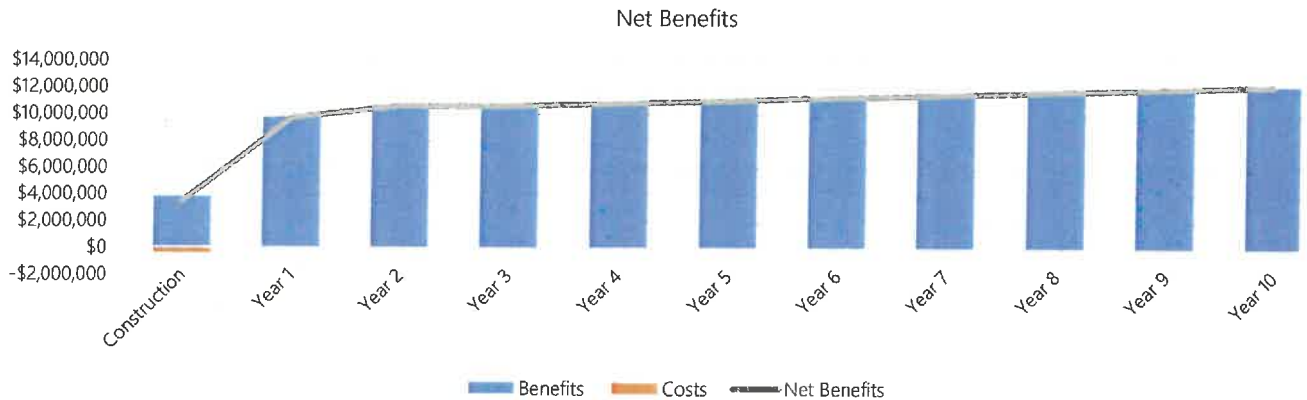
Economic Impacts

Summary of Economic Impacts over the Life of the PILOT
 Project Total Investment
 \$6,000,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	24	21	45
Earnings	\$2,291,542	\$1,334,673	\$3,626,215
Local Spend	\$6,000,000	\$4,144,434	\$10,144,434

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	97	59	156
Earnings	\$60,763,642	\$45,011,527	\$105,775,169

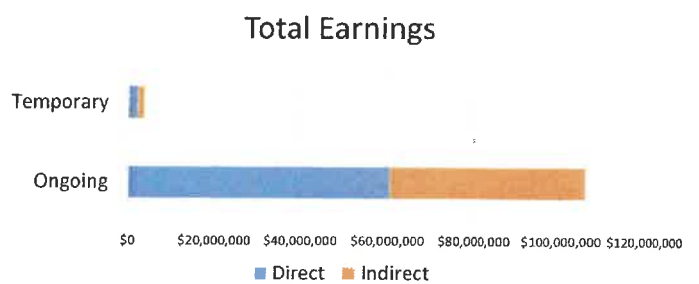
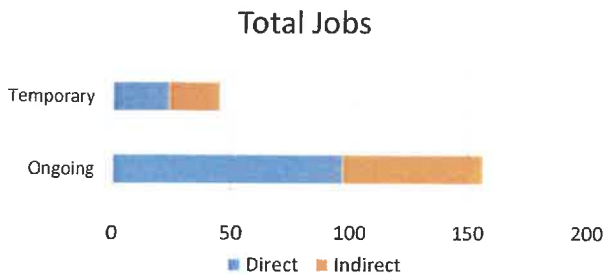
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$417,781	\$377,550
Sales Tax Exemption	\$358,750	\$358,750
Local Sales Tax Exemption	\$167,417	\$167,417
State Sales Tax Exemption	\$191,333	\$191,333
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$776,531	\$736,300

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$110,175,916	\$99,001,767
To Private Individuals	\$109,401,384	\$98,308,082
Temporary Payroll	\$3,626,215	\$3,626,215
Ongoing Payroll	\$105,775,169	\$94,681,867
Other Payments to Private Individuals	\$0	\$0
To the Public	\$774,532	\$693,685
Increase in Property Tax Revenue	\$104,449	\$91,548
Temporary Jobs - Sales Tax Revenue	\$22,211	\$22,211
Ongoing Jobs - Sales Tax Revenue	\$647,873	\$579,926
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$5,688,872	\$5,112,020
To the Public	\$5,688,872	\$5,112,020
Temporary Income Tax Revenue	\$763,180	\$763,180
Ongoing Income Tax Revenue	\$4,759,883	\$4,260,684
Temporary Jobs - Sales Tax Revenue	\$25,384	\$25,384
Ongoing Jobs - Sales Tax Revenue	\$740,426	\$662,773
Total Benefits to State & Region	\$115,864,788	\$104,113,787

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$99,001,767	\$544,966	182:1
State	\$5,112,020	\$191,333	27:1
Grand Total	\$104,113,787	\$736,300	141:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes



Diversity, Equity and Inclusion Questionnaire

1. MWBE Contractors - Construction

The ECIDA encourages applicants to utilize MWBE contractors and suppliers for their projects and when feasible, to set a goal for MWBE participation during the construction period of the project. Below are links to the NYS and Erie County certified MWBE lists, including contractors, that can assist you with your utilization goals:

- New York State MWBE Certified List: <https://ny.newnycontracts.com/>
- Erie County MWBE Certified List: <https://www3.erie.gov/eo/mbe-wbe-resource-list>

Please provide detailed information regarding your company's plan to utilize MWBE contractors and suppliers for your project. Please include your project's MWBE utilization goals, what process and resources you plan to use or have utilized in the past to find and hire MWBEs, a list of the specific MWBE firms used on previous projects and/or firms you plan to use on the current project, and any history the company has of setting and meeting MWBE goals on past projects. The company may also include details with respect to the foregoing related to any MWBE policy and utilization goals that its general contractor has committed to implementing for the project.

Hanes Supply will have a goal of 30% of the project's contractors and suppliers be MWBE. We will utilize the links provided by the ECIDA to vet and source viable MWBE vendors and contractors. Hanes Supply's last constructed a new building in 1991 and did not retain any information on MWBE utilization. We will be in discussion with our general contractor to review the links provided by the ECIDA to utilize viable MWBE vendors and contractors. Hanes Supply currently utilizes WBE companies such as Frederick Machine Repair Inc, Buffalo Concrete Accessories, and Irish Welding as vendors.

2. Minority & Women Employment - Current Workforce & Hiring Practices

The ECIDA encourages the hiring of a diverse workforce, especially for jobs created and retained as part of an ECIDA induced project. Below are some links to sites and organizations that will be helpful in achieving a diverse workforce:

- Northland Workforce Training Center: <https://northlandwtc.org/employers/>

- Workforce Buffalo: <https://www.workforcebuffalo.org/business-services/employer-services>
- New York State Job Bank: <https://myjobsny.usnlx.com/>
- Local Minority Newspapers: <https://www3.erie.gov/eo/minority-newspaper>

Please provide detailed information regarding your company's current workforce and hiring practices as it relates to minority and women employees, including, if applicable, the company's Diversity, Equity and Inclusion plan and goals, any strategic partnerships the company has with educational and/or workforce development entities, and company strategies regarding outreach to minorities and women with the dissemination of job openings to the public:

Hanes Supply Inc prides itself on being an equal opportunity employer. We have completed our Affirmative Action Plan every year from 2014 to 2024. We have been a third-generation family-owned business with roots in Buffalo since 1930. We hire a wide range of ethnic and diverse team members at Hanes. We are located in the Kaisertown neighborhood of Buffalo which enables us to offer employment to the diverse culture of Buffalo. We post our ads to Indeed, Regional Help Wanted, State Job Banks, Hire Patriots, social media, and local schools in all areas of Buffalo. Our statement: Hanes Supply Inc. provides equal employment opportunities to all employees and applicants for employment and prohibits discrimination and harassment of any type without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any other characteristic protected by federal, state, or local laws. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

We will continue to support and encourage diverse practices in our family-owned business.

3. Economic Inclusion Program

The ECIDA's Economic Inclusion Program (EIP) is a voluntary "opt in" program providing an enhanced real property tax abatement to applicants who commit to implementing and meeting MWBE utilization and minority and women employment goals. The mission of the EIP is to enhance the beneficial public impact of projects receiving ECIDA assistance and to further the ECIDA's goal of advancing opportunities for MWBE businesses and minorities and women, in general, in the Erie County workforce. Please note, for a company to be considered an MWBE under the EIP it must be certified as an MWBE by New York State or Erie County.

Under the EIP, the standard ECIDA PILOT Agreement real property tax abatement schedules are enhanced by extending both the term and abatement percentages of the PILOT Agreement.

Please note the EIP is a *voluntary opt-in program* providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. The applicant shall not engage in any unlawful discrimination against any employee or applicant by reason of race, creed, religion, color, age, disability, national origin, sex, gender, or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in

Employment Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, and any other similar laws, rules, or regulations. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

Please check the box indicating that you have read the Economic Inclusion Program summary above and the attached FAQ document that can be found at the end of the questionnaire.

Please check the box if you are interested in tentatively opting into the Economic Inclusion Program (nonbinding) and would like further, detailed information on the program and process from your ECIDA business development officer.

PUBLIC HEARING SCRIPT

**Hanes Supply, Inc. and/or Individual(s)
or Affiliate(s), Subsidiary(ies), or
Entity(ies) formed or to be formed on its
behalf Project**

Public Hearing to be held on September 24, 2024 at 9:00 a.m.,
at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203

ATTENDANCE:

William Hanes – Hanes Supply, Inc.
Brian Krygier – ECIDA
Carrie Hocieniec - ECIDA

☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 9:07 a.m. My name is Grant Lesswing. I am the Director of Business Development of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Hanes Supply, Inc. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Friday, September 13, 2024.

☒ 3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 55 James E. Casey Drive, City of Buffalo, Erie County, New York and all other lands in the City of Buffalo where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction on the Land of an approximately 56,575 square-foot addition to the existing 55,000 sq. ft. facility to be utilized for additional warehouse/production space to hold inventory and allow for growth in areas of manufacturing and distribution as well as

offices, restrooms and a break room (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, and the Improvements and the Existing Improvements, the "Facility").

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency's website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes at 4:00 p.m. on October 22, 2024. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

William C. Hayes - President of Hanes Supply since 1980. Our project, what we're doing at our corporate headquarters on 55 James E. Casey Drive. Little trivia 55 was after Double Nickels, so that's how we came up with a number working back in the 1990's with the Buffalo Urban Renewal Agency. We are severely constrained for space from both the production aspect and our warehousing operation and what we're electing to do is work with the ECIDA to more than double the facility and add on 56,500 square feet of production warehousing capacity along with some offices, restrooms, break room areas for our associates

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:11 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

September 24, 2024, at 9:00 a.m.
at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203
regarding:

**Hanes Supply, Inc. and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 55 James E. Casey Drive, Buffalo, New York 14206

Name	Company and/or Address	X box to speak/ comment
William Hanes	55 James E. Casey Drive, Buffalo, New York 14206	X
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	



Hanes Supply Inc ECIDA

Instructions and Insurance Requirements Document

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information- Company Receiving Benefit

Project Name	Hanes Supply Inc
Project Summary	The reason for the planned construction project is that our warehouse capacity is running out of space at our 55 James E Casey Drive Buffalo location. This project will increase our production and warehouse facilities to accommodate our present and future growth. Hanes Supply would more than double its facility at James E Casey, with a 56,500 square foot addition to its 55,000 square foot facility. The expansion footprint is additional warehouse / production space to hold inventory and allow for growth in areas of manufacturing and distribution. We would like to add space right next to the existing facility to operate more efficiently from a logistics standpoint. The new expansion will be located at 55 James E. Casey Drive Buffalo, NY 14206. There is also space dedicated for 4-5 more offices, restrooms, and a break room. We plan to optimize our production in our warehouse facility to increase capacity to service our marketplaces. Our existing production will be relocated to the new addition, allowing us to redesign the building to achieve operational efficiencies in all aspects of our business. In the attached drawings, you will see the existing warehouse design and proposed footprint.
Applicant Name	Hanes Supply Inc
Applicant Address	55 James E Casey Drive
Applicant Address 2	
Applicant City	Buffalo
Applicant State	New York
Applicant Zip	14206
Phone	(716) 826-2636
Fax	
E-mail	mseifert@hanessupply.com
Website	https://www.hanessupply.com/
NAICS Code	332610

Business Organization

Type of Business
Subchapter S Corp

Year Established
1956

State

New York

Indicate if your business is 51% or more (Check all boxes that apply)

[No] Minority Owned

[No] Woman Owned

Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

Name Michelle Seifert
Title Assistant Controller
Address 55 James E Casey Drive
Address 2
City Buffalo
State New York
Zip 14206
Phone (716) 826-2636
Fax
E-Mail mseifert@hanessupply.com

Company Contact- Authorized Signer for Applicant

Contact is same as individual completing application No
Name William C Hanes
Title President
Address 55 James E Casey Dr
Address 2
City Buffalo
State New York
Zip 14206
Phone (716) 826-2636
Fax
E-Mail wchanes@hanessupply.com

Company Counsel

Name of Attorney Gary Kanaley
Firm Name DUKE HOLZMAN PHOTIADIS & GRESENS LLP
Address 701 Seneca Street, Suite 750
Address 2
City Buffalo
State New York
Zip 14210
Phone (716) 855-1111

Fax

E-Mail gkanaley@dhpplaw.com

Benefits Requested (select all that apply).

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	No
Exemption from Real Property Tax	Yes
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

Ownership structure is William C Hanes with 95% ownership and William T. Hanes with 5% ownership. Hanes Marine and Cable was founded in 1930 by Ted Hanes Sr., an American Airways worker who learned to splice cable while studying to earn his Federal A and E Aircraft Mechanics License. After leaving American Airways in 1936 to pursue firefighting, Ted began to extend his wire rope splicing services to several local contractor friends as a means of putting extra bread on the table. As operations grew, Ted secured office space at 23 Poplar Ave. in Buffalo, NY. By 1962, the company outgrew the facility, officially incorporated as Hanes Supply, Inc, and relocated to 1294 Seneca St, allowing for a larger sling shop and enabling HSI to become an Allied Product Supply House, offering more products and faster service. In 1980, Ted's son Bill Hanes took over as president of Hanes Supply. Today the company is headquartered at 55 James E. Casey Dr. in Buffalo, NY, and has grown to include facilities in Rochester, Syracuse, Watertown, and Albany, NY; Midland, NC; and Guilford, CT. Over the years our hardworking fabrication crew has mastered sling production. In addition to our in-house American sling manufacturing, we take great pride in our knowledgeable sales associates who are here to offer solutions to your industry needs, and our talented trainers whose years of experience deliver expert value and knowledge. Some of our associates have been with the Hanes family for a decade-some for more than three. Bill Hanes, President of Hanes Supply, grew up watching founder Ted Hanes Sr. splice wire rope and grow the family business. He became President in 1980 after graduating as a civil engineer from the University at Buffalo. His lifetime of experience makes him a true veteran of the wire rope industry. Our seasoned wire rope expert and Vice President of Operations Dave Learn has headed our production department since 1978. His brother Ron has led the nylon sling fabrication team since 1983. Vice President of Sales Dick Streicher has managed our Rochester division since 1993. The HSI team's loyalty to our company mission and to our customers shows in the great pride we take in providing the highest quality products and expertise alongside world class value added services. HSI: Hanes Supply, Inc. has been splicing wire rope and manufacturing slings since 1930. We are a leader in the rigging and heavy lifting industry specializing in manufacturing American made slings and below-the-hook lifting devices. As an ISO 9001:2015 registered company, we are known for our superior customer service and commitment to quality in every aspect of our business. We build trust and relationships with the goal of earning your respect as a customer for life. HSI's American-made slings and custom engineered below-the-hook lifting devices serve construction industries around the world. Our business is to provide solutions for difficult rigging jobs, and our custom solutions have backed projects from the Panama Canal to the North Pole for industries ranging from wind energy to marine and military. HSI manufactures slings for any rigging application, including wire rope slings, nylon and polyester slings, and chain slings. Additionally, we are an official Slingmax® manufacturer and dealer, offering products like high performance Twin-Path® slings- the world's strongest and lightest slings. Our specialty sling products include Gator-Laid®, Tri-Flex®, and hand tucked wire rope slings, as well as custom assemblies made to your specifications. When it comes to rigging hardware, we have you covered with the industry's most highly regarded rigging fitting lines, including Crosby®, CM®, Campbell®, Skookum®, Van Beast®, and Actek®. Hanes Supply is a complete construction and industrial supplier offering professional power tools and hand tools, safety supplies, fall protection systems, and personal protective equipment (PPE) from the most trusted, well-known brands and manufacturers. We stock a broad range of contractor and industrial supplies, totaling over 100,000 individual SKU's. We are a proud member of world-class organizations including the Web Sling & Tie Down Association, AWRP, STAFDA, ACRP, SCRA, NATE, AWEA, and the National Safety Council. Our relationships with these industry leaders are one of the reasons our customers trust Hanes Supply to deliver the highest quality products, services, and customer support. Hanes Supply is your one-stop-shop for lifting solutions and construction supply. To fulfill this promise, we back our world class products with value-added services including equipment rental, sling testing, inspection and certification, custom lifting device fabrication, training, Vendor Managed Inventory services, and a wealth of technical information and resources. Hanes Supply services customers in many different markets. Our primary customers are contractors, industrial manufacturers, transmission and distribution, utility, power generation facilities, and government facilities including local, regional, and national municipalities.

Estimated % of sales within Erie County	17 %
Estimated % of sales outside Erie County but within New York State	32 %
Estimated % of sales outside New York State but within the U.S.	51 %

Estimated % of sales outside the U.S.

0 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

65

Describe vendors within Erie County for major purchases

Our top spending categories include trade vendors like Engineered Lifting Technologies, Superior Glove Work, Dynabrade, Echelon Supply, and Designer Folding Box. Our top Erie County spend for expense vendors include USITEK Inc for Technology, Independent Health for Healthcare, Weco Tire for Automotive, Duke Holtzman for Legal services, and Tronconi for Financial Advisory services.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

55 James E Casey Drive

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo

Current Address (if different)

Current Town/City/Village of Project Site (if different)

SBL Number(s) for proposed Project

112.19-3-9.2

What are the current real estate taxes on the proposed Project Site

42,162

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

The present use is vacant land. The project site will be directly adjacent to the current location of Hanes Supply Inc at 55 James E Casey Drive Buffalo, NY 14206. Hanes Supply Inc owns the land we are proposing to build on. The 56,500 sq. ft. building expansion work area is located at the rear of the existing light-industrial warehouse facility that backs up to the rear pavement of South Ogden Plaza. The project work area has virtually no visual street front impact.

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

Hanes Supply Inc. is headquartered in the City of Buffalo at 55 James E. Casey Dr. with facilities in Rochester, Syracuse, Watertown, and Albany, NY; Midland, NC; and Guilford, CT. Our current 55,000 Square feet of space has been the same since 1991 when we built the building. The current facility is bottle-necked on space and the operations is struggling to handle the growth we've been experiencing the last few years. We would like to add space right next to the existing facility to operate more efficiently from a logistics standpoint. Our ecommerce business and business in general has grown significantly at our Buffalo location over the past three years. Our sales have continued to grow at a double-digit rate for the past 3 years. 21% in 2022; 12% in 2023; and this year at a rate of 20%. The 56,575 sq. ft. building expansion work area is located at the rear of the existing light-industrial warehouse facility that backs up to the rear pavement of South Ogden Plaza. A Site Plan indicates foundation plantings along the existing front façade and pine trees to screen a large emergency generator. The project work area has virtually no visual street front impact. The expansion footprint is additional warehouse / production space to hold inventory and allow for growth in areas of manufacturing and distribution. The new expansion will be located at 55 James E. Casey Drive Buffalo, NY 14206. There is also space dedicated for 4-5 more offices, restrooms, and a break room. The \$ 5,000,000.00 building project is extremely important for this growing business serving a crucial role with the construction of the new Buffalo Bills Highmark Stadium as well as several large projects throughout the U.S. With our expansion plan detailed above, we are planning to grow the ecommerce portion of our business, further penetration into our primary vertical markets and diversify into additional products for our target markets.

Municipality or Municipalities of current operations

Buffalo, NY

Will the Proposed Project be located within a Municipality identified above?

Yes

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

Yes

If yes, please indicate the Agency and nature of inquiry below

Empire State Development contacted us. Applying for approximately \$500,000, anticipating to receive a tax credit of \$154,000. Other states have contacted us. We have had inquiries from many state agencies including Virginia, North Carolina, South Carolina and other local development agencies out of state.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

N/A

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

The industrial construction distribution industry is highly competitive. We have competition at the local, regional, and national levels. The increasing costs of doing business in Erie County and NYS, along with decreasing margins in our industry, especially from national competitors like Grainger, Fastenal, and Amazon require us to have assistance from the ECIDA. The reason for the planned construction project is that our warehouse capacity is running out of space at our 55 James E Casey Drive Buffalo location. This project will increase our production and warehouse facilities to accommodate our present and future growth. Hanes Supply would more than double its facility at James E Casey, with a 56,000 square foot addition to its 55,000 square foot facility. The expansion footprint is additional warehouse / production space to hold inventory and allow for growth in areas of manufacturing and distribution. We would like to add space right next to the existing facility to operate more efficiently from a logistics standpoint. The new expansion will be located at 55 James E. Casey Drive Buffalo, NY 14206. There is also space dedicated for 4-5 more offices, restrooms, and a break room. We plan to optimize our production in our warehouse facility to increase capacity to service our marketplaces. Our existing production will be relocated to the new addition, allowing us to redesign the building to achieve operational efficiencies in all aspects of our business. In the attached drawings, you will see the existing warehouse design and proposed footprint. This proposed footprint is not public information yet and is not to be made public as of now.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

If we are not able to obtain financial assistance for this project, we would look in other areas of the country to assure we remain relevant and competitive to serve our customers. Future jobs in Erie County would not be added, and current jobs could be at risk of relocation.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

Is your project located near public transportation?

Yes

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

Yes a bus line. Route number #19 NFTA bus route for Bailey and Abbott.

Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?

Yes

If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.

If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.

See attached

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Light Industrial

Describe required zoning/land use, if different

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

No

If yes, describe the efficiencies achieved

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

Select Project Type for all end users at project site (you may check more than one).

For purposes of the following, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales	Yes	Services	Yes
---------------------	-----	-----------------	-----

Please check any and all end uses as identified below.

- | | | |
|--|---------------------------|-------------------------------------|
| No Acquisition of Existing Facility | No Assisted Living | No Back Office |
| No Civic Facility (not for profit) | Yes Commercial | No Equipment Purchase |
| No Facility for the Aging | Yes Industrial | No Life Care Facility (CCRC) |
| No Market Rate Housing | No Mixed Use | No Multi-Tenant |
| No Retail | No Senior Housing | Yes Manufacturing |
| No Renewable Energy | No Other | |

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	21,500 square feet	\$	2,400,000	40%
Warehouse	32,200 square feet	\$	3,350,000	56%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	2,800 square feet	\$	250,000	4%
Specify Other	square feet	\$	0	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

4/1/2025

End date : Estimated completion date of project

11/1/2025

Project occupancy : estimated starting date of occupancy

11/1/2025

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 0 square feet acres

2.) New Building Construction

\$ 5,500,000 56,500 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 0 square feet

5.) Manufacturing Equipment

\$ 50,000

6.) Infrastructure Work

\$ 0

7.) Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 300,000

8.) Soft Costs: (Legal, architect, engineering, etc.)

\$ 150,000

9.) Other Cost

\$ 0

Explain Other Costs

Total Cost \$ 6,000,000

Construction Cost Breakdown:

Total Cost of Construction \$ 5,500,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials \$ 3,800,000
% sourced in Erie County 65%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$ 4,100,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ 358,750

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$ 0

Have any of the above costs been paid or incurred as of the date of this Application? Yes

If Yes, describe particulars: Yes, \$58,000 of architectural work.

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 2,000,000
Bank Financing: \$ 4,000,000
Tax Exempt Bond Issuance (if applicable): \$ 0
Taxable Bond Issuance (if applicable): \$ 0
Public Sources (Include sum total of all state and federal grants and tax credits): \$ 0

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources) Empire State Development proposed tax credit of \$154,000.

Total Sources of Funds for Project Costs: \$6,000,000

Have you secured financing for the project? Yes

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing). 0

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$0

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other): N/A

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	85	85	10	10
Part time	5	5	0	0
Total	90	90	10	

Salary and Fringe Benefits for Jobs to be Retained and Created

Job Categories	# of Full Time Employees retained and created	Average Salary for Full Time	Average Fringe Benefits for Full Time	# of Part Time Employees retained and created	Average Salary for Part Time	Average Fringe Benefits for Part Time
Management	3	\$ 150,000	\$ 0	0	\$ 0	\$ 0
Professional	15	\$ 70,000	\$ 0	0	\$ 0	\$ 0
Administrative	35	\$ 52,000	\$ 0	0	\$ 0	\$ 0
Production	47	\$ 45,000	\$ 0	5	\$ 25,000	\$ 0
Independent Contractor	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Total	100			5		

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	N/A		
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

7,000,000

Estimated average annual salary of jobs to be retained (Full Time)

61,000

Estimated average annual salary of jobs to be retained (Part Time)

20,000

Estimated average annual salary of jobs to be created (Full Time)

48,000

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time)	40,000	To (Full Time)	50,000
From (Part Time)	0	To (Part Time)	0

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

55 James E Casey Drive Buffalo, NY 14206

Name and Address of Owner of Premises

William C Hanes 51 Briggswood Drive Elma, NY 14059

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

The new expansion will be located at 55 James E. Casey Drive Buffalo, NY 14206 directly adjacent to our existing facility. This is flat industrial property.

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

Distribution and light manufacturing.

Describe all known former uses of the Premises

55 James E Casey Drive Buffalo, NY is currently being used as our current facility. The land we own adjacent to the existing facility is currently not being used for anything.

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

No

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

No

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

No

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

We do not discharge any industrial products into any body of water.

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site

None

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

None

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

No

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility.

Occupant Name Hanes Supply Inc
Address 55 James E Casey Drive
Contact Person William C Hanes
Phone (716) 826-2636
Fax
E-Mail wchanes@hanessupply.com
Federal ID # 16-0808918
SIC/NAICS Code 332618

SS

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project?

11 %

If the answer to this is **less than 33%** do not complete the remainder of the page, proceed to the next section.

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation?

<BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located?

<BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services?

<BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York?

<BLANK>

If yes, explain

Is the project located in a Highly Distressed Area?

<BLANK>

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

55 James E Casey Drive

City/Town

Buffalo

State

New York

Zip Code

14206

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

No

What factors have lead the project occupant to consider remaining or locating in Erie County?

Our current 55,000 Square feet of space has been the same since 1991 when we built the building. The current facility is bottle-necked on space and the operations is struggling to handle the growth we've been experiencing the last few years. We would like to add space right next to the existing facility to operate more efficiently from a logistics standpoint.

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

N/A current facility is not being abandoned.

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

Location #1: 61 N. Gates Ave LACKAWANNA , NY 14218. Condition of the building was not good. Logistics issues with 2 warehouse in Buffalo. 61 North GatesMay2024.pdf (loopnet.com) Location #2: 2117 Old Union Road Cheektowaga, NY 14227. Condition of the building was not good. Layout was not appropriate. PowerPoint Presentation- 2117 Old Union RoadCheektowagaFlyerLedyard SeiderPBC22.pdf (loopnet.com) Location #3: 271 Dingens St Buffalo, NY 14206. Site was not large enough. 271 Dingens St, Buffalo, NY 14206- Industrial for Sale | LoopNet

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Section X: Tax Exempt Bonds

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?

No

Pfannenbergs Expansion / Pfannenbergs USA
\$ 11,500,000
PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section – 334512
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Up to \$ 176,750 in sales tax savings
JOBS & ANNUAL PAYROLL
<ul style="list-style-type: none"> • Current Jobs: 103 FT, 2 PT (104 FTE) • Est. salary/yr. of jobs retained: \$76,086 • Projected new jobs: 35 FT, 2 PT (36 FTE) • Est. salary/yr. of jobs created: \$80,000 • Total jobs after project completion: 139 • Annual Payroll: \$ 7,000,000 • Construction Jobs: 25
PROJECTED COMMUNITY BENEFITS*
<ul style="list-style-type: none"> • Term: 2 YEARS after project completion. • NET Community Benefits: \$36,556,252 • Spillover Jobs: 27 <p>Total Payroll: \$34,476,866</p>
INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*
<p>Incentives: \$176,750</p> <p>Community Benefit: \$35,238,249</p> <p>Cost: Benefit Ratio</p> <ul style="list-style-type: none"> • 1:199

Project Title: Pfannenbergs Expansion / Relocation

Project Address: 13595 Broadway, Alden, NY 14004
(Alden Central School District)

Agency Request

A sales tax abatement associated with the renovation of a vacant facility in Alden, NY.

Land / Building Acquisition	\$ 5,050,000
Infrastructure	\$ 50,000
Reconstruction/Renovation	\$ 5,000,000
Manufacturing Equipment	\$ 600,000
Non- Manufacturing Equipment	\$ 300,00
Soft Costs/Other	\$ 400,000
Total Project Cost	\$ 11,500,000

85% \$ 9,775,000

Company Description

Pfannenbergs is a global company HQ in Hamburg, Germany with the North American HQ located in Lancaster, NY. Pfannenbergs is a manufacturer of Thermal Management, Liquid Cooling Solutions and Signaling Technologies. Pfannenbergs Thermal Management products are used by some of the largest companies worldwide to keep their electronics cool and safe, protecting critical manufacturing processes. Liquid Cooling Solutions provide the critical cooling required for manufacturing processes including machine tooling, plastic injection molding equipment and many other uses. Their visual and acoustic signaling devices protect personnel and equipment satisfying numerous alarm, warning and induction requirements.

Project Description

Pfannenbergs has plans to grow its business. Their current location at 68 Ward Road, Lancaster cannot accommodate an expansion due to the parcel size and existing wetlands on the property. Pfannenbergs hired a commercial realtor in early 2023 to find a 100,000 – 150,000 SF facility within a 10 – 15 mile radius of their current facility. Pfannenbergs is considering 13595 Broadway in the Town Alden for its new location. The company has complied with the Countywide Intermunicipal Move Policy

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$ 0
	Sales	\$176,750
	Mortgage Recording	\$ 0
	Total	\$176,750
	Discounted at 2%	\$175,750

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **	
	Erie County	Individuals	Payroll Construction	\$ 3,837,744	
			Payroll Permanent	\$30,639,122	
		Public	Property Taxes	\$ 0	
			Sales Taxes	\$ 286,589	
			Other Muni Revenue (NFTA)	\$ 0	
	New York State	Public	Income Taxes	\$ 1,551,458	
			Sales Taxes	\$ 241,338	
				Total Benefits to EC + NYS***	\$36,556,252
				Discounted at 2%	\$35,238,249

* Cost Benefit Analysis Tool powered by MRB Group ** includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost \$ 175,750
 Discounted Benefit \$35,238,249
 Ratio 1:199

Conclusion: The Cost Benefit for this project is: 199:1. For every \$1 in costs (incentives), this project provides \$199 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$349 in benefits to the community.**

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$ 78,687	NA / limited value change expected	\$ n/a	\$ n/a	\$ n/a
Combined Tax Rate: \$ 26.23				

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$11,500,000 85% = \$ 9,775,000
Employment	2 years after project completion	Maintain Base = 104 FTE Create 85% of Projected Projected = 36 FTE 85% = 30 FTE Recapture Employment = 134 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	2 years after project completion	Adherence to Policy
Unpaid Tax	2 years after project completion	Adherence to Policy
<u>Recapture Period</u>	2 years after project completion	Recapture of Real Property Tax, Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 104 FTE jobs and created 36 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 10/01/24: Public hearing held.
- 10/23/24: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 10/23/24: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**EVALUATIVE CRITERIA
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

Project: Pfannenburg – Renovation of Manufacturing Facility

Wage Rate (above median wage for area)	Per capita income = \$36,530. Estimated average salaries are above the median wage. For jobs retained, the annual salary = \$76,086 and for jobs to be created, the annual salary = \$80,000
Regional Wealth Creation (% sales/customers outside area)	5% of sales are outside of Erie County.
In Region Purchases (% of overall purchases)	75% of total annual supplies, raw materials and vendor services are purchased from firms in Erie County.
Research & Development Activities	25% of the company's operating expenses are attributed to R&D activities
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	N/A
LEED/Renewable Resources	N/A
Retention/Flight Risk	Without financial support needed to allow for growth, company may consider options outside Erie County.
DEI Questionnaire	See Attached. Goal of 30% MWBE for construction – contractors & suppliers.
Workforce Access – Proximity to Public Transportation	The site is not near public transportation.

DATE OF INDUCEMENT: 10/23/2024

Erie County Industrial Development Agency

MRB Cost Benefit Calculator

Date: September 13, 2024
 Project Title: Pfannenberg USA
 Project Location: 13595 Broadway



Cost-Benefit Analysis Tool powered by MRB Group

Economic Impacts

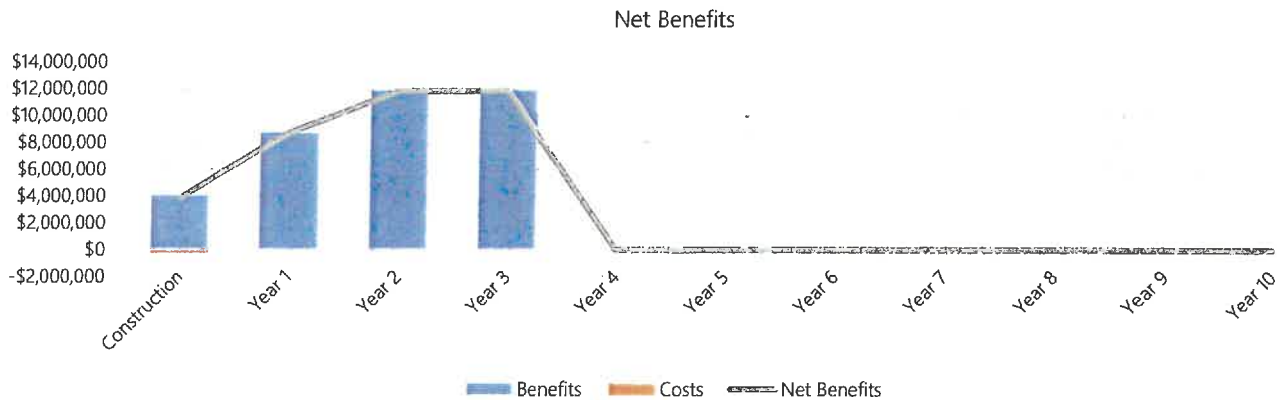
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$11,500,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	25	22	48
Earnings	\$2,425,215	\$1,412,529	\$3,837,744
Local Spend	\$6,350,000	\$4,386,193	\$10,736,193

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	140	5	145
Earnings	\$29,498,832	\$1,140,290	\$30,639,122

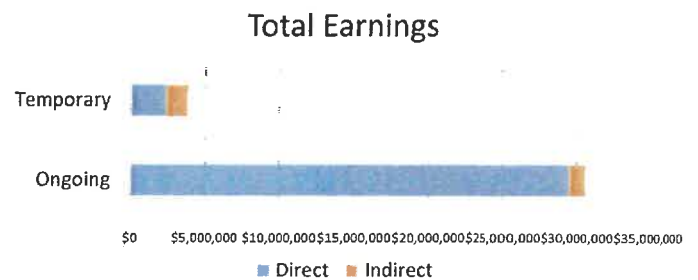
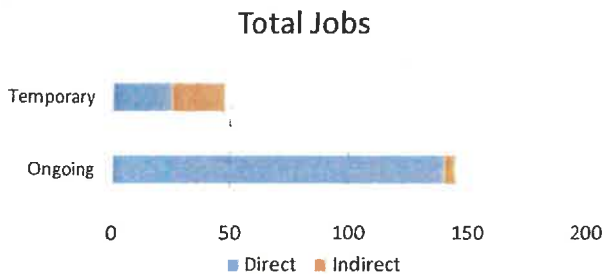
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$176,750	\$176,750
Local Sales Tax Exemption	\$95,950	\$95,950
State Sales Tax Exemption	\$80,800	\$80,800
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$176,750	\$176,750

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$34,763,455	\$33,510,090
To Private Individuals	<u>\$34,476,866</u>	<u>\$33,233,834</u>
Temporary Payroll	\$3,837,744	\$3,837,744
Ongoing Payroll	\$30,639,122	\$29,396,090
Other Payments to Private Individuals	\$0	\$0
To the Public	<u>\$286,589</u>	<u>\$276,256</u>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$31,901	\$31,901
Ongoing Jobs - Sales Tax Revenue	\$254,688	\$244,355
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$1,792,797	\$1,728,159
To the Public	<u>\$1,792,797</u>	<u>\$1,728,159</u>
Temporary Income Tax Revenue	\$172,698	\$172,698
Ongoing Income Tax Revenue	\$1,378,760	\$1,322,824
Temporary Jobs - Sales Tax Revenue	\$26,864	\$26,864
Ongoing Jobs - Sales Tax Revenue	\$214,474	\$205,773
Total Benefits to State & Region	\$36,556,252	\$35,238,249

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$33,510,090	\$95,950	349:1
State	\$1,728,159	\$80,800	21:1
Grand Total	\$35,238,249	\$176,750	199:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes



Diversity, Equity and Inclusion Questionnaire

1. MWBE Contractors - Construction

The ECIDA encourages applicants to utilize MWBE contractors and suppliers for their projects and when feasible, to set a goal for MWBE participation during the construction period of the project. Below are links to the NYS and Erie County certified MWBE lists, including contractors, that can assist you with your utilization goals:

- New York State MWBE Certified List: <https://ny.newnycontracts.com/>
- Erie County MWBE Certified List: <https://www3.erie.gov/eo/mbe-wbe-resourcelist>

Please provide detailed information regarding your company's plan to utilize MWBE contractors and suppliers for your project. Please include your project's MWBE utilization goals, what process and resources you plan to use or have utilized in the past to find and hire MWBEs, a list of the specific MWBE firms used on previous projects and/or firms you plan to use on the current project, and any history the company has of setting and meeting MWBE goals on past projects. The company may also include details with respect to the foregoing related to any MWBE policy and utilization goals that its general contractor has committed to implementing for the project.

Pfannenbergl will make every effort to utilize minority and women contractors and vendors on our Alden project, striving to achieve a 30% rate of MWBE interests throughout the duration of this project. Employing contractors and vendors from the New York State certified MWBE directory and drawing upon their enterprise to complete our project.

2. Minority & Women Employment - Current Workforce & Hiring Practices

The ECIDA encourages the hiring of a diverse workforce, especially for jobs created and retained as part of an ECIDA induced project. Below are some links to sites and organizations that will be helpful in achieving a diverse workforce:

- Northland Workforce Training Center:
<https://northlandwtc.org/employers/>
- Workforce Buffalo:
<https://www.workforcebuffalo.org/business-services/employerservices>
- New York State Job Bank: <https://mviobsnv.usnlx.com/>
- Local Minority Newspapers:
<https://www3.erie.gov/eo/minority-newspaper>

Please provide detailed information regarding your company's current workforce and hiring practices as it relates to minority and women employees, including, if applicable, the company's Diversity, Equity and Inclusion plan and goals, any strategic partnerships the company has with educational and/or workforce development entities, and company strategies regarding outreach to minorities and women with the dissemination of job openings to the public:

Pfannenbergs is and has been committed to fostering a diverse and inclusive workforce. Our hiring strategy emphasizes equal opportunity and actively seeks to eliminate discrimination based on race, gender, age, sexual orientation, disability, or any other characteristic. We believe that a diverse team enhances our innovation and success.

3. Economic Inclusion Program

The ECIDA's Economic Inclusion Program (EIP) is a voluntary "opt in" program providing an enhanced real property tax abatement to applicants who commit to implementing and meeting MWBE utilization and minority and women employment goals. The mission of the EIP is to enhance the beneficial public impact of projects receiving ECIDA assistance and to further the ECIDA's goal of advancing opportunities for MWBE businesses and minorities and women, in general, in the Erie County workforce. Please note, for a company to be considered an MWBE under the EIP it must be certified as an MWBE by New York State or Erie County.

Under the EIP, the standard ECIDA PILOT Agreement real property tax abatement schedules are enhanced by extending both the term and abatement percentages of the PILOT Agreement.

Please note the EIP is a voluntary opt-in program providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. The applicant shall not engage in any unlawful discrimination against any employee or applicant by reason of race, creed, religion, color, age, disability, national origin, sex, gender, or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in

Employment Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, and any other similar laws, rules, or regulations. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

Please check the box indicating that you have read the Economic Inclusion Program summary above and the attached FAQ document that can be found at the end of the questionnaire.

Please check the box if you are interested in tentatively opting into the Economic Inclusion Program (nonbinding) and would like further, detailed information on the program and process from your ECIDA business development officer.

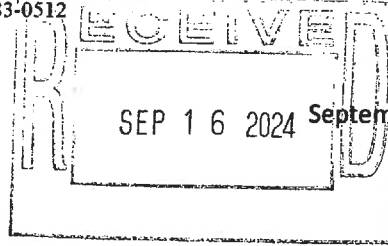


Town of Lancaster

OFFICE OF THE SUPERVISOR

21 Central Avenue
Lancaster, New York 14086
(716) 683-1610
Fax: (716) 683-0512

ROBERT E. LEARY
Supervisor



Erie County Industrial Development Agency
Attention: Elizabeth A. O'Keefe, Vice President
95 Perry Street, Suite 403
Buffalo, New York 14203

Re: Intermunicipal Move Notification for Pfannenberg

Dear Ms. O'Keefe:

The Town of Lancaster has received the above referenced notification.

We are disappointed to learn that Pfannenberg will be relocating outside of the Town of Lancaster; especially after they have utilized the benefits of the Town of Lancaster Industrial Development Agency. However, we wish the company success and hope that they will continue to employ Lancaster residents at their new facility.

The Town of Lancaster further hopes that the Ward Road, Lancaster facility will be occupied quickly by a new business.

Sincerely,

Cc: Kevin Lemaster, LIDA Chairmen

PUBLIC HEARING SCRIPT

**Pfannenbergs US Realty LLC project
and/or Individual(s), Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or
to be formed on its behalf**

Public Hearing to be held on October 1, 2024 at 9:00 a.m.,
at the Village of Alden, located at 13336 Broadway, Alden, NY 14004

ATTENDANCE:

Robert Kapilevich – Pfannenbergs

1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 9:00 a.m. My name is Grant Lesswing. I am the Director of Business Development for the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Pfannenbergs US Realty LLC project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Thursday, September 19, 2024.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 13595 Broadway, Village of Alden, Erie County, New York and all other lands in the Village of Alden where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the renovation on the Land of an existing 143,000 square-foot manufacturing facility for office and office related uses and for renovation of manufacturing space for operations, testing lab purposes, and to accommodate operations and future growth as well as upgrades to loading docks and the creation of quality warehousing space

(the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land, and the Improvements and the Existing Improvements, the “Facility”).

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits (in compliance with Agency's uniform tax exemption policy)

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes at 4:00 p.m. on October 22, 2024. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Robert Kapilevich- President of the Pfannenbergs Manufacturing operations. Thank you to the Village of Alden and the ECIDA for allowing me to speak on behalf of Pfannenbergs today. Pfannenbergs has purchased a property in Alden, NY with 143,000 sq ft of manufacturing and office space. Our plan is to upgrade the facilities and to establish a state-of-the-art manufacturing operation in our new home in Alden. This exciting milestone marks the start of our expansion in the region, as we continue to invest in the future of our production capabilities and community involvement. Pfannenbergs is an international company that recently celebrated the 70th anniversary since its founding. We are a recognized leader within the Electrotechnology industry, including thermal management, liquid cooling and signaling technologies. Alden is a wonderful community and we could not be more excited to establish the home of our North American headquarters here and to build upon our three-decade long presence in Western New York. Our company is growing and we’re thrilled about the opportunities that will be enabled by our new location. The expanded operation will be critical in meeting the growing demand for our products.

Statement from Earl Rogalski, President – Americas: As Pfannenbergs expands its operations, we are committed to becoming an integral part of the Alden community. We look forward to

establishing roots here and contributing to the local economy. Our goal is to not only grow our business but also create new opportunities for local talent as we build for the future.

To add to Earl's point, I will mention that Pfannenbergl is currently recruiting for multiple production, shipping and office positions, offering competitive benefits and career growth opportunities. Interested candidates are encouraged to apply via our website, www.CoolJobUSA.com" Thank you for your time and for this opportunity.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:05 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

October 1, 2024, at 9:00 a.m.
at the Village of Alden, located at 13336 Broadway, Alden, NY 14004
regarding:

**Pfannenbergl US Realty LLC project and/or Individual(s), Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 13595 Broadway, Alden, New York 14004

Name	Company and/or Address	X box to speak/ comment
Robert Kapilevich	Pfannenbergl 68 Ward Road Lancaster, New York 14086	X



Pfannenber

[Instructions and Insurance Requirements Document](#)

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information- Company Receiving Benefit

Project Name Big Foot
Project Summary Purchase and relocation of manufacturing operations
Applicant Name Pfannenber
Applicant Address 68 Ward Rd
Applicant Address 2
Applicant City Lancaster
Applicant State New York
Applicant Zip 14086
Phone (716) 685-6866
Fax
E-mail Douglas_Horsmon@pfannenberusa.com
Website <https://www.pfannenberusa.com/>
NAICS Code 334512

Business Organization

Type of Business

Limited Liability Company

Year Established

2016

State

New York

Indicate if your business is 51% or more (Check all boxes that apply)

[No] Minority Owned

[No] Woman Owned

Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

Name Douglas Horsmon
Title Controller
Address 68 Ward Rd
Address 2
City Lancaster
State New York
Zip 14086
Phone (716) 685-6866
Fax
E-Mail Douglas_Horsmon@pfannenbergsusa.com

Company Contact- Authorized Signer for Applicant

Contact is same as individual completing application No
Name Robert Kapilevich
Title President
Address 68 Ward Rd
Address 2
City Lancaster
State New York
Zip 14086
Phone (716) 685-6866
Fax
E-Mail robert.kapilevich@pfannenbergsusa.com

Company Counsel

Name of Attorney Sean W. Hopkins
Firm Name Hopkins Sogori & McCarthy PLLC
Address 5500 Main Street, Suite 343
Address 2
City Williamsville
State New York
Zip 14221
Phone (716) 510-4338
Fax
E-Mail shopkins@hsmlegal.com

Benefits Requested (select all that apply)

Exemption from Sales Tax Yes
Exemption from Mortgage Tax No

Exemption from Real Property Tax No

Tax Exempt Financing* No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

Pfannenbergl is a Global Manufacturer of Thermal Management, Liquid Cooling Solutions and Signaling Technologies. Our Thermal Management products are used by some of the largest companies worldwide to keep their electronics cool and safe, protecting critical manufacturing processes. Our Liquid Cooling solutions provide the critical cooling required for manufacturing processes including machine tooling, plastic injection molding equipment, food & beverage extrusion equipment and x-ray/vision systems, to name a few. Our visual and acoustic signaling devices protect personnel and equipment satisfying numerous alarm, warning, and indication requirements, including: machinery operating status, process monitoring, system startup, and building or area evacuation due to fire, toxic gas leak, chemical spill, or intruder alert. We are global, with our international Headquarters located in Hamburg, Germany and our North-American Headquarters located in Lancaster, NY.

Estimated % of sales within Erie County	95 %
Estimated % of sales outside Erie County but within New York State	0 %
Estimated % of sales outside New York State but within the U.S.	2 %
Estimated % of sales outside the U.S.	3 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

75

Describe vendors within Erie County for major purchases

Wendel Companies will sub-contract

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

13595 Broadway Alden, NY 14004

Town/City/Village of Project Site

Alden

School District of Project Site

Alden

Current Address (if different)

Current Town/City/Village of Project Site (if different)

SBL Number(s) for proposed Project

119.08-3-15

What are the current real estate taxes on the proposed Project Site

78,099

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

Existing Building & Land Prior manufacturing site

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

Renovate existing Office spaces to accommodate full work staff along with creating a cafeteria space for staff. The manufacturing space is in need of renovation to accommodate our operations and setup for future growth. Examples of renovation are loading dock upgrades and full creation of a graded dock that trucks can back into. There are areas of demolition needed, 2 large scaffold areas along with a testing lab, and creation of manufacturing/ quality/ warehousing. The site will be gutted and rebuilt to suite Pfannenbergs need.

Municipality or Municipalities of current operations

Lancaster

Will the Proposed Project be located within a Municipality identified above?

No

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

Yes

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

Yes

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

If yes, please indicate the Agency and nature of inquiry below

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Current Ownership evaluating various scenario's and locations for future operations. Assistance would help guarantee the manufacturing stays in Erie county and we can continue to grew and expand our operations.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Without assistance Pfannenbergl potentially will not be able to add the needed expansion to manufacturing lines/ capabilities and create the needed warehousing space required to operate to future needs to stay competitive and viable in this industry.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

Potential Move to area providing financial support.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

Forklifts 5 year term

Site Characteristics

Is your project located near public transportation?

No

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?

No

If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.

If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.

September 2024

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Manufacturing/ Industrial

Describe required zoning/land use, if different

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

Yes

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

No

If yes, describe the efficiencies achieved

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

Yes

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

25%

Select Project Type for all end users at project site (you may check more than one)

For purposes of the following, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales	No	Services	No
---------------------	----	-----------------	----

Please check any and all end uses as identified below.

- | | | |
|--|---------------------------|-------------------------------------|
| No Acquisition of Existing Facility | No Assisted Living | No Back Office |
| No Civic Facility (not for profit) | No Commercial | No Equipment Purchase |
| No Facility for the Aging | No Industrial | No Life Care Facility (CCRC) |
| No Market Rate Housing | No Mixed Use | No Multi-Tenant |
| No Retail | No Senior Housing | Yes Manufacturing |
| No Renewable Energy | No Other | |

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	50,000 square feet	\$	1,767,500	35%
Warehouse	64,000 square feet	\$	2,272,500	45%
Research & Development	4,000 square feet	\$	151,500	3%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	25,000 square feet	\$	858,500	17%
Specify Other	square feet	\$	0	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses Yes

What is the estimated project timetable (provide dates)

Start date : acquisition of equipment or construction of facilities

10/31/2024

End date : Estimated completion date of project

7/31/2025

Project occupancy : estimated starting date of occupancy

6/15/2025

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 5,050,000 143,000 square feet 12 acres

2.) New Building Construction

\$ 0 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 5,000,000 127,200 square feet

5.) Manufacturing Equipment

\$ 600,000

6.) Infrastructure Work

\$ 50,000

7.) Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 300,000

8.) Soft Costs: (Legal, architect, engineering, etc.)

\$ 400,000

9.) Other Cost

\$ 100,000

Explain Other Costs	Enviromental
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Total Cost	\$ 11,500,000
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Construction Cost Breakdown:

Total Cost of Construction	\$ 5,050,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 2,020,000
% sourced in Erie County	95%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit	\$ 2,020,000
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Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 176,750
--	------------

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only)	\$ 0
--	------

Have any of the above costs been paid or incurred as of the date of this Application?	No
--	----

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 11,500,000
--	---------------

Bank Financing:	\$ 0
------------------------	------

Tax Exempt Bond Issuance (if applicable):	\$ 0
--	------

Taxable Bond Issuance (if applicable):	\$ 0
---	------

Public Sources (Include sum total of all state and federal grants and tax credits):	\$ 0
--	------

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)

Total Sources of Funds for Project Costs:	\$11,500,000
--	--------------

Have you secured financing for the project?	No
--	----

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing).

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$0

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

Forklifts 5 year term

Employment Plan (Specific to the proposed project location).

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genesee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	103	103	35	35
Part time	2	2	2	2
Total	105	105	37	

Salary and Fringe Benefits for Jobs to be Retained and Created

Job Categories	# of Full Time Employees retained and created	Average Salary for Full Time	Average Fringe Benefits for Full Time	# of Part Time Employees retained and created	Average Salary for Part Time	Average Fringe Benefits for Part Time
Management	2	\$ 80,000	\$ 28,000	0	\$ 0	\$ 0
Professional	12	\$ 100,000	\$ 35,000	0	\$ 0	\$ 0
Administrative	1	\$ 65,000	\$ 22,750	2	\$ 55,000	\$ 19,250
Production	20	\$ 47,000	\$ 16,450	0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Total	35			2		

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	Full time	Part time	Total
	0	0	0
	0	0	0
	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

7,000,000

Estimated average annual salary of jobs to be retained (Full Time)

76,086

Estimated average annual salary of jobs to be retained (Part Time)

45,000

Estimated average annual salary of jobs to be created (Full Time)

80,000

Estimated average annual salary of jobs to be created (Part Time)

50,000

Estimated salary range of jobs to be created

From (Full Time)	55,000	To (Full Time)	100,000
From (Part Time)	45,000	To (Part Time)	50,000

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

13595 Broadway Alden, NY 14004

Name and Address of Owner of Premises

Gamma Buffalo INC

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

Land with structures

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

The full building will be getting renovated with all existing walls and structures being demolished. This site will be a multi use site that will be the primary location for manufacturing, warehousing for all USA produced items. It will also be home to the Pfannenberg America's Sales group who will fully be operating out of this site. This is also home for the customer care and service centers.

Describe all known former uses of the Premises

Manufacturing

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

No

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

No

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

No

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

N/A

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site

Town of Alden waste water management system

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

None

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

No

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility

Occupant Name Pfannenber Manufacturing LLC
Address 68 Ward Rd
Contact Person Robert Kapilevich
Phone (716) 510-7535
Fax
E-Mail robert.kapilevich@pfannenbergsa.com
Federal ID # 81-4049422
SIC/NAICS Code 811412

SS

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

68 Ward Rd

City/Town

Lancaster

State

New York

Zip Code

14086

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

Yes

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Will Sell existing site and utilize funds for new site purchase. Local businesses around current site interested in location and facility.

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

Yes

Within Erie County

Yes

If Yes to either question, please, explain

Moving from one town in Erie county to another, we did explore expansion opportunities but current site does not allow for needed growth,

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

More square footage to expand manufacturing lines. Increased warehouse space with higher ceilings. More office space to expand sales & service along with support of expanded operations.

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

Yes

What factors have lead the project occupant to consider remaining or locating in Erie County?

Geographical location of existing work force

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

Selling on open Market

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

68 Ward Rd Lancaster NY- Too small for current operations

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Section X: Tax Exempt Bonds

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?

No



Policy Committee Monthly Meeting Schedule – 2025
1st Thursday of the month except for January, July & September

at 9:00 a.m.

January 9

February 6

March 6

April 3

May 1

June 5

July 10

August 7

September 11

October 2

November 6

December 4